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Fresno, California

June 12, 2006

The City Council met in special session at the hour of 6:00 p.m. in the Council Chambers, City Hall, on the day above written, for continued consideration of the FY 2007 City of Fresno Budget.

Present were Council members Boyajian, Calhoun, Dages, Perea, Sterling, Westerlund and President Duncan, City Manager Souza, Assistant City Manager Ruiz, City Attorney Sanchez, City Clerk Klisch, Assistant City Clerk Salazar, Budget Manager Smith, and necessary staff.

(6:00 P.M.) CONTINUED HEARING ON THE FY 2007 CITY OF FRESNO BUDGET**PLANNING & DEVELOPMENT DEPARTMENT (Continued from June 8, 2006)**

Councilmember Calhoun spoke to the teaching profession and salaries and to the Diamond Street Project, noted the purpose of the project was to allow teachers to live and work in the same area and added there was no guarantee that arrangement would result in better teachers, stated the City subsidizing housing for teachers was wrong and if Fresno Unified wanted to do that that was fine but it was not something the Mayor or Council should do -- particularly for one school, and acknowledged housing was desperately needed but not for an isolated case and reiterated he felt this was wrong and a slippery slope.

MOTION - Calhoun/Westerlund - Defund the Diamond Street Project and use the proposed funding for other housing project(s).

Councilmember Calhoun commended Planning & Development Director Yovino on moving to higher densities stating the days of huge lots were over, and spoke to the need to decrease vacant building space downtown and to the information he recently submitted to Council on the city of Boston's successful program.

DIRECTION - Calhoun/Perea - Direct staff to return within six months with a proposed 5-year plan for reducing the amount of vacant building space downtown by a minimum of 30%.

Planning & Development Director Yovino and Housing Manager Sigala responded to questions and comments of Councilmember Boyajian relative plans for the next change of development, where large commercial businesses/big box stores will be located, if there will be fee reductions/inducements to bring businesses to locate in those areas, if any land has been purchased yet/if staff feels land banking is important, need to do something/be pro-active so businesses will not "hop over the river" along with sales taxes, a housing trust fund (HTF), if one has been considered, why no money was being budgeted for one, the importance of a HTF to leverage funds, and the \$1.7 million budgeted for the Diamond Street Project and funding sources.

MOTION - Boyajian/Sterling - Allocate \$50,000 to establish a Housing Trust Fund.

Councilmember Boyajian spoke to properties targeted for the proposed Sports Town project and to legitimate offers that have been made on some of those properties by interested parties; and presented questions relative to the funding for the scrapped Broadway Row project and if consideration had been given to appropriating additional money to the Hope VI project.

MOTION - Boyajian/Sterling - Appropriate \$500,000 from the Broadway Row project to the Hope VI project.

Councilmember Boyajian stated he also supported transferring the graffiti abatement team back to the department due to the great professional job they have done and to keep the momentum going, and presented additional questions/comments relative to surplus funds, if staff has thought about things to do to make the city whole and entice businesses here (**2 - 0**), the city's success with residential and development and if surplus funds could be used for land banking, if real estate transfer taxes could be used for economic development or affordable housing, if staff could conduct a workshop on revenue streams to fund economic development/affordable housing, filling the Assistant Director position, if the department has residential/industrial/commercial sub-departments, the priority system and what it is based on, New and On-Going Development and if it pertained to projects in the pipeline, if the \$700,000 for land acquisition was for affordable housing, and code enforcement weaning off CDBG funds including what the impetus was and if user fees helped in that regard, with Mr. Yovino and City Attorney Sanchez responding throughout.

Councilmember Sterling presented questions/comments at length relative to electronic plan checking, if consideration had been given to a liaison to Council offices, if Council members would be able to talk to a liaison without an Assistant City Manager present, the fast-track/shepherding program including what the \$200,000 would pay for, if staff was going to be added to the department or to the Economic Development Department (EDD), the EDD being under-staffed and if they would be merging with the department, if that money going to EDD was a good use of those funds, request for an accounting on how those funds are expended, the pre-zoning program including how it will work/priority areas/if Roeding Business Park was a priority area/resources ultimately needed for the program/what areas need to be coordinated with EDD, why outsourcing is done when the EDD is supposed to be the creator of jobs, if the department was helping EDD along so they could stand on their own **(3 - 0)**, the Building Inspector positions, function of the Environmental Safety Consultant, the Mayor's faith-based graffiti program, why the department's graffiti team was being moved to the police department, what will happen to the graffiti positions/which department will fund them, what the difference was between the Mayor's graffiti program and the regular program, concern with doubling up programs as with the EDD, illegal dumping, if code enforcement uses surveillance cameras, request for a list of camera locations, the department being understaffed and concern with the loss of the graffiti positions, and why the electronic plan check process was not included in Kronos Cognos, with Mr. Yovino, Assistant City Manager Ruiz, Budget Manager Smith and Building & Safety Services Manager Bishop and responding and/or clarifying issues throughout.

President Duncan and Councilmembers Boyajian, Westerlund and Calhoun commented and presented questions relative to whether funds were budgeted for the Convention Center hotel, the Mayor's proposed 10x10 plan for affordable housing, if any funds were budgeted for that plan, if staff could schedule a presentation on the plan, staff urged to move quickly on pre-zoning, commendation to Code Enforcement and the group being professionals and having a tough job, if it was possible for CE to increase the frequency of work on illegally posted signs, funding source for Special Projects, what the \$940,000 in CDBG funds was for, request for a report/feedback on how the Mayor's faith-based graffiti program worked, what the status was of the 2006 adopted \$300,000 CDBG funds for the Diamond Street project, request for a line item report on those expenditures, and if staff expended those funds without Council approval, with Mr. Yovino, City Manager Souza, Ms. Smith and Mr. Sigala responding throughout. There was no further discussion.

*Note - Councilmember Calhoun spoke further to the Diamond Street Project at the conclusion of the meeting.

RECESS - 7:33 P.M. - 7:38 P.M.

PARKS, RECREATION & COMMUNITY SERVICES DEPARTMENT:

PR&CS Director Cooper gave a PowerPoint presentation on his department's budget which included a funding breakdown on the overall budget, reduction in cell, fax and phone usage, department over-time, mileage, overviews of the Parks Division, Recreation Division, and Community Services Division, current capital projects, and FY 2006 awarded grants.

Don Trudeau, 9033 N. Whitney, requested a budget be established to maintain property on the north side of Shepherd between Maple and Chestnut and insurance binders be provided to cover the public and city employees while on the property.

Lengthy discussion ensued with Mr. Cooper, Assistant Director Haynes and/or City Manager Souza responding to questions and/or comments of Acting President Perea relative to the Fresno Connect Project, when it would go into the central area, if Lafayette Park has been looked at for the program, operational and equipment costs to run computer labs, amount to maintain computer networks per center **(4 - 0)**, how centers are chosen for Fresno Connect, if a breakdown was available on the Mayor's Gang Task Force, the Art, Park, Entertainment and Sports surcharge, WiFi on the Fulton Mall, and if staff has looked at the feasibility of expanding WiFi to the entire downtown area; of Councilmember Dages relative to the proposed Roeding Park entrance fee increase, where those fee revenues would go, why the department was proposing an increase if the revenues will not go back into the department, the annual flat-rate pass for all regional parks, Camp Fresno sponsorships, time frames for the BMX and Al Radka parks, the Moose Lodge issue, and park equipment for the Grove Avenue park off of Peach Avenue; and of Councilmember Westerlund relative to the annual park pass, if impacts to the general fund had been analyzed, if there was any evidence for the rationale for a pass, concern that the matter may not have been thought through, the closing of Palm Lakes Golf Course as it was a drain on Riverside, if freed-up funds would now be re-invested back into Riverside, it being unclear why a seventy-five cent increase was being proposed for Riverside if it is operated as an enterprise fund, Airways' fees, the Community Science Program, Speaker & Consultant Fee Services/Speaker's Bureau Fee and what the fees will pay for, the Mayor's Job Initiative, and perception that the department is getting into the employment development area.

Councilmember Sterling thanked Mr. Cooper for turning centers in her district around, specifically the Hinton, Ted C. Wills and Ivy community centers and explained, and presented questions/comments at length relative to mail received from the Coalition for Shading Neighborhoods' Parks and their concern for the health and welfare of children **(5 - 0)**, status of the Jane Addams School basin becoming

147-206

6/12/06

a designated park, the Human Relations Commission's (HRC) budget and the legal settlement, request for line item breakdown on their budget, if leftover funds from the Mayor's Job Initiative could be allocated for HRC staffing, if the SPCA was living up to its commitment, if the SPCA provides reports, request to staff to submit quarterly reports on the SPCA, uncertainty with increasing the Roeding Park entrance fee, if a \$2.00 increase was needed, support for the annual pass, Fresno County park fees, request to keep her informed on the Camp Fresno sponsorship issue, the RJI and need for the City of Fresno to be the example in hiring, commendation to the Mayor on his jobs initiative, the new Dickey Playground youth center and what can be done to make it a stronger facility as it moves forward, what happened to funding for the Mayor's school initiatives from last year that were not funded, request those funds be looked at for Dickey center equipment, and request to keep her informed on the project, with Mr. Cooper and Mr. Souza responding and clarifying issues throughout.

Due to the lateness of the hour the department's budget was continued to Thursday, June 15, 2006, at 6:00 p.m.

PLANNING & DEVELOPMENT DEPARTMENT *(Continued from earlier)*

Councilmember Calhoun went back to the Diamond Street Project and the \$300,000 from FY 06 that was expended stating it did not catch his attention last year as it obviously did this year, advised his assistant did some research from last year and noted included under "Education" was the Jefferson Housing Project and read that portion into the record, stressed it was so vague, he could not remember discussion on that issue or anything like the current \$1.2 million, he was not happy about that, it was slipped right through, and a few hundred thousand dollars were expended on something he had no idea was taking place, and stated he hoped not one cent of the proposed funding would be expended between now and the budget conclusion. City Manager Souza clarified what Councilmember Calhoun just read was also included as a specific line item in the CDBG budget and stated he took offense with the comment that it was snuck through. Councilmember Boyajian added anything that has to do with housing goes through the Housing Task Force first and stated the project did not go through the task force.

The budget hearing was continued to Wednesday, June 14, 2006, at 6:00 p.m. at City Hall.

ADJOURNMENT

There being no further business to bring before the City Council, the hour of 8:55 p.m. having arrived and hearing no objections, President Duncan declared the meeting adjourned to Wednesday, June 14, 2006, at 6:00 p.m.

APPROVED on the ____20th____ day of _____ June _____, 2006.

_____/s/_____
Jerry Duncan, Council President

ATTEST:_____/s/_____
Yolanda Salazar, Assistant City Clerk

147-207

6/12/06